



**PLANNING DIVISION**  
**STAFF REPORT**

**Planning and Zoning Board**

**July 24, 2024**

CASE No.: <b>ZON24-00251</b>	PROJECT NAME: <b>CyrusOne Data Center</b>
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Owner's Name:	C1-Mesa, LLC
Applicant's Name:	Sean LeRoy, CyrusOne
Location of Request:	Within the 3200 to 3400 blocks of South Crismon Road (west side) and within the 3200 to 3400 blocks of 96 <sup>th</sup> Street (east side). Located north of Elliot Road and west of Crismon Road.
Parcel No(s):	304-04-984A
Request:	Site Plan Review and Special use Permit. This request will allow for a data center.
Existing Zoning District:	Light Industrial with a Planned Area Development overlay (LI-PAD) and Planned Employment Park with a Planned Area Development overlay (PEP-PAD).
Council District:	6
Site Size:	67± acres
Proposed Use(s):	Industrial
Existing Use(s):	Vacant
P&Z Hearing Date(s):	July 24, 2024 / 4:00 p.m.
Staff Planner:	Cassidy Welch, Senior Planner
Staff Recommendation:	APPROVAL with Conditions

**HISTORY**

On **January 22, 1990**, the City Council approved the annexation of 1,228± acres, including the project site (Case No. A88-104; Ordinance No. 2483), into the City of Mesa and established City of Mesa zoning of Agricultural (AG) (Case No. Z90-010; Ordinance No. 2512).

On **January 22, 2008**, the City Council approved a rezoning of 277± acres, including the project site, from AG to C-2-DMP (equivalent to current Limited Commercial with a Planned Area Development overlay [LC-PAD]), M-1-DMP (equivalent to current Light Industrial with a Planned Area Development overlay [LI-PAD]) and PEP-DMP (equivalent to current Planned Employment Park with a Planned Area Development overlay [PEP-PAD]) to allow for the development of an industrial park (Case No. Z07-114; Ordinance No. 4803).

## **PROJECT DESCRIPTION**

### **Background:**

The applicant is requesting approval of an Initial Site Plan to allow for the development of a data center (Proposed Project). The development consists of five data center buildings with associated office areas totaling approximately 1,450,000 square feet. The subject request also includes two Special Use Permit requests for a height increase and a parking reduction.

The 67± acre site is currently vacant and is located north of Elliot Road and west of Crismon Road in a designated industrial park. In 2008, the City Council approved a rezone of 277± acres, including the subject site, to a PAD overlay for the development of an industrial park. The site is in conformance with the existing PAD overlay and no additional amendments are proposed.

### **General Plan Character Area Designation and Goals:**

The Mesa 2040 General Plan character area designation on the property is Employment with an Industrial Sub-type. Per Chapter 7 of the General Plan, examples of Employment districts are large manufacturing facilities, warehousing, and business parks. The Industrial sub-type signifies locations appropriate for manufacturing, warehousing and other similar industrial operations that typically provide quality jobs. The goal of the Employment character area designation is to provide a wide range of employment opportunities in high quality settings.

Staff reviewed the request and determined the Proposed Project is consistent with the criteria for review outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan.

### **Mesa Gateway Strategic Development Plan:**

The site is also located within the Mixed-Use Community District of the Mesa Gateway Strategic Development Plan. Per the Plan, the Mixed-Use Community District should contain a variety of uses that contribute to the goal of providing a complete community experience. Business parks, light industrial and other higher-intensity employment uses are compatible in this district.

The Proposed Project conforms to the purpose and intent of the Mesa Gateway Strategic Development Plan.

### **Zoning District Designations:**

The project site is currently zoned Planned Employment Park with a Planned Area Development overlay (PEP-PAD) and Light Industrial with a Planned Area Development overlay (LI-PAD). The existing PAD overlay was established in 2008 to allow development of an industrial business park. The proposed use of a data center has been interpreted by the Zoning Administrator as Indoor Warehousing and Storage. Per Section 11-7-2 of the Mesa Zoning Ordinance (MZO), Indoor Warehousing and Storage is a permitted use in the PEP and LI zoning districts. The Proposed Project conforms to the goals of the PEP and LI zoning districts.

### **Airport Overflight Areas:**

Per Section 11-19 of the MZO, the subject property is located within the City of Mesa Airfield (AF) Overlay District; specifically, within the Airport Overflight Area Three (AOA 3). The location of the property within the AOA 3 is due to its proximity to the Phoenix-Mesa Gateway Airport. There are no use restrictions on properties subject to the AOA 3.

**Site Plan and General Site Development Standards:**

The submitted site plan shows development of five approximately 290,023 square foot data center buildings and an associated substation. Per the submitted site plan, the site is bisected by a primary access drive with parking and access to the buildings on either side. Two buildings and the substation are located on the north side of the property and three buildings are located on the south side of the property.

Access to the site will be provided from 96<sup>th</sup> Street to the west with a secondary egress only to the east on Crismon Road. The site plan shows the associated equipment and generators for the data center will be located on the east and west sides of each building and will be screened by a 24-foot opaque wall.

Per Section 11-32-3(A) of the MZO, a total of 1,615 parking spaces are required. The applicant is requesting a Special Use Permit (SUP) for a parking reduction to a total of 281 parking spaces.

**Special Use Permit – MZO Article 7, Section 11-70:**

Section 11-66-2(C)(2) of the MZO allows the Planning and Zoning Board to hear and take action on a Special Use Permit (SUP) when requested in conjunction with another request requiring action or recommendation by the Planning and Zoning Board.

**Parking:**

Per Section 11-32-3 of the MZO, 1,615 parking spaces are required for the proposed development. The applicant is requesting to reduce the total number of parking spaces from 1,615 to 281 parking spaces. According to the submitted parking demand study, the proposed number of parking stalls will meet the parking demand anticipated for this development. Staff has no concerns with the request for the reduced parking.

Section 11-32-6 of the MZO establishes criteria for approval of a SUP to allow the reduction in the number of parking spaces. Below is a summary of the criteria for the SUP and findings:

<b>Parking Reduction Required Findings (MZO Section 11-32-6)</b>	<b>Findings</b>
1. Special conditions – including but not limited to the nature of the proposed operation; proximity to frequent transit service; transportation characteristics of persons residing, working, or visiting the site – exist that will reduce parking demand at this site.	Each data center building has a total of three shifts with a maximum of 20 employees at the busiest shift, creating a need for a total of 55 parking spaces per building if all employees were on site at one time. Per the MZO, the required parking for an indoor warehousing use, which is how a data center is classified, requires a total of 1,615 parking spaces, far

	exceeding the required parking for the end user's proposed use.
2. The use will adequately be served by the proposed parking.	The applicant provided a parking study to demonstrate that the proposed reduction would still adequately serve the development's needs.
3. Parking demand generated by the project will not exceed the capacity of or have a detrimental impact on the supply of on street parking in the surrounding area.	According to the applicant, the parking demand is not anticipated to exceed the capacity provided or impact the supply of on-street parking in the area.

**Height:**

Per Section 11-7-3 of the MZO, the maximum building height in the LI zoning district is 40 feet. The maximum building height in the PEP zoning district is plan specific per Section 11-7-3 of the MZO. The applicant is requesting an increase of the maximum building height to 69 feet.

Section 11-30-3(B) of the MZO allows an increase to the maximum building height for properties within the Airfield Overlays with approval of a SUP. Below is a summary of the criteria for the SUP and findings:

<b>Height Increase Required Findings (MZO Section 11-70-6)</b>	<b>Findings</b>
1. Approval of the proposed project will advance the goals and objectives of and is consistent with the policies of the General Plan and any other applicable City plan and/or policies.	The subject property is located within the Employment character area designation of the Mesa 2040 General Plan. The proposed development for a data center is consistent with the goals and objectives of the General Plan and the Mesa Gateway Strategic Development Plan.
2. The location, size, design, and operating characteristics of the proposed project are consistent with the purposes of the district where it is located and conform with the General Plan and with any other applicable City plan or policies.	The proposed development for a data center is consistent with the purposes of the PEP-PAD and LI-PAD zoning districts.
3. The proposed project will not be injurious or detrimental to the adjacent or surrounding properties in the area of the proposed project or improvements in the neighborhood or to the general welfare of the City.	The proposed development and requested height increase will not be injurious or detrimental to the adjacent properties.
4. Adequate public services, public facilities and public infrastructure are available to serve the proposed project.	Adequate public facilities and infrastructure exist to serve the proposed development.

**Design Review:**

The Design Review Board reviewed the subject request on July 9, 2024. Staff will be working with the applicant to address any comments and recommendations from the Design Review Board.

**Surrounding Zoning Designations and Existing Use Activity:**

<b>Northwest</b>  AG Open Space	<b>North</b>  AG Open Space	<b>Northeast</b> (Across the Crismon Road alignment) LI Open Space
<b>West</b> (Across 96 <sup>th</sup> Street) LI-PAD & PEP-PAD Vacant	<b>Project Site</b>  PEP-PAD & LI-PAD Vacant	<b>East</b> (Across Crismon Road) LI-PAD Industrial
<b>Southwest</b> (Across 96 <sup>th</sup> Street) LI-PAD Vacant	<b>South</b>  LI-PAD Industrial	<b>Southeast</b> (Across Crismon Road) LI-PAD Industrial

**Compatibility with Surrounding Land Uses:**

The subject property is currently vacant. A transmission line easement zoned AG is located to the north of the subject site. The easement is used as an open space trail for the single residence subdivision further to the north. Existing industrial developments are located to the east and south of the subject property. Properties to the west of the subject property are zoned for industrial uses and are currently vacant. The proposed industrial development is compatible with the surrounding developments and land uses.

**Neighborhood Participation Plan and Public Comments:**

As part of the completed Citizen Participation Process, the applicant mailed notification letters to property owners within 1,000 feet of the site, Homeowner Associations (HOA) within ½ mile and registered neighborhoods within one mile of the site.

The applicant held a neighborhood meeting on June 24, 2024. One nearby resident attended the neighborhood meeting with general questions on the use.

Two nearby residents attended the Design Review Board work session with questions regarding the proposed development. These property owners expressed concerns with the proposed height and setback of the development and visibility from the adjacent single residence neighborhood to the north.

Staff will provide the Board with any new information during the scheduled Study Session on July 24, 2024.

**Staff Recommendation:**

Staff finds that the Proposed Project is consistent with the Mesa 2040 General Plan, the Gateway Strategic Development Plan, the approval criteria for a Special Use Permit outlined in Sections 11-32-6 and 11-70-6 of the MZO, and the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO.

Staff recommends approval with the following **Conditions of Approval:**

1. Compliance with the final site plan submitted.
2. Compliance with all conditions of approval of Case No. Z07-114, Ordinance No. 4803, except as modified by this request.
3. Compliance with all requirements of Design Review Case No. DRB24-00253.
4. Compliance with all City development codes and regulations.
5. All off-site improvements and street frontage landscaping must be installed in the first phase of construction.
6. Compliance with all requirements of Mesa City Code Title 8, Chapter 10, as amended, including all applicable requirements regarding multiple or large meters.
7. Compliance with all requirements of Chapter 19 of the Zoning Ordinance including:
  - a. Owner must execute the City's standard Avigation Easement and Release for Phoenix-Mesa Gateway Airport prior to or concurrently with the recordation of the final subdivision map or the issuance of a building permit, whichever occurs first.
  - b. Due to the proximity to Phoenix-Mesa Gateway Airport, any proposed permanent or temporary structure, as required by the FAA, is subject to an FAA filing for review in conformance with CFR Title 14 Part 77 (Form 7460) to determine any effect to navigable airspace and air navigation facilities. A completed form with a response by the FAA must accompany any building permit application for structure(s) on the property.
  - c. Prior to the issuance of any building permit, provide documentation by a registered professional engineer or registered professional architect

demonstrating compliance with the noise level reductions required in Section 11-19-5 of the Mesa Zoning Ordinance.

- d. Provide written notice to future property owners that the project is within 3 miles of Phoenix-Mesa Gateway Airport
- e. All final subdivision plats must include a disclosure notice in accordance with Section 11-19-5(C) of the Zoning Ordinance which must state in part: "This property, due to its proximity to Phoenix-Mesa Gateway Airport, will experience aircraft overflights, which are expected to generate noise levels that may be of concern to some individuals."

**Exhibits:**

Exhibit 1 – Staff Report

Exhibit 2 – Vicinity Map

Exhibit 3 – Project Narrative

Exhibit 4 – Site Plan

Exhibit 5 – Landscape Plan

Exhibit 6 – Grading and Drainage Plan

Exhibit 7 – Elevations

Exhibit 8 – Citizen Participation Plan

Exhibit 9 – Citizen Participation Report

Exhibit 10 – Neighborhood Letters

Exhibit 11 - Power Point Presentation